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February 20, 2002

Federal Communications Commission
Wireless Telecommunications Bureau

1270 Fairfield Road

Gettysburg, PA 17325-7245

Re: FCC Form 602 for XO LMDS Holdings No. 1, Inc.

XO LMDS Holdings No. 1, Inc., by its attorneys, submits FCC Form 602 in connection with a proposed transfer of control of the Company.' A duplicate copy of this submission is provided for date-stamp and return. If there are any questions regarding this filing, please contact Joan M. Griffin at (703) 918-2320. Thank you in advance for your assistance.

Cordially,



Winafred Brantl

enclosure . .

cc: Service List

¹ Pursuant to the Commission's Rules, FCC Form 603 is being filed concurrent with this submission.

Applicant / Licensee Information

1) First Name (if individual):	MI:	Last Name:	Suffix:
2) Applicant Name (if entity): XO LMDS Holdings No. 1, Inc.			3) FCC Registration Number (FRN): 0001564962


Related FCC Regulated Businesses of Applicant / Licensee

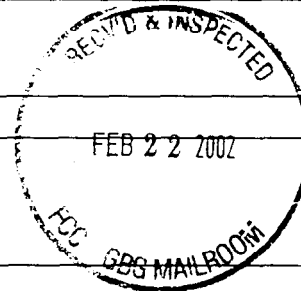
4a) Name and address of all FCC Regulated Businesses owned by Applicant/ Licensee (use additional sheets, if necessary).	4b) Principal Business:	4c) FCC Registration Number (FRN):	4d) Percent of interest Held:
None			

Signature

5) Typed or Printed Name of Party Authorized to Sign

First Name: R. Gerard	MI:	Last Name: Salemme	Suffix:
Title: Senior Vice President - External Affairs			

Signature: 	Date: 2/19/02
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Failure to Sign This Application May Result in Dismissal Of The Application And Forfeiture Of Any Fees Paid

WILLFUL FALSE STATEMENTS MADE ON THIS FORM OR ANY ATTACHMENTS ARE PUNISHABLE BY FINE AND/OR IMPRISONMENT (U.S. Code, Title 18, Section 1001) AND/OR REVOCATION OF ANY STATION LICENSE OR CONSTRUCTION PERMIT (U.S. Code, Title 47, Section 312(a)(1) AND/ OR FORFEITURE (U.S. Code, Title 47, Section 503).

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Schedule for Disdosable Interest Holders

estimate

Disclosable Interest Holder Information (complete as many as required to describe all disclosable interest holders)

1) Disclosable Interest Holder's First Name (if individual):	MI:	Last Name:	Suffix:
2) Disclosable Interest Holder's Name (if entity): XO Communications, Inc.		3) FCC Registration Number(FRN): 0006275945	
4) Disclosable Interest Holder's Address: 11111 Sunset Hills Road, Reston , VA 20190			
5) Type of Interest in Applicant (D) (refer to Instructions for list):	6) Disclosable Interest Holder is a (n): (C) (refer to instructions for list of codes):	7) Percent of Interest Held in Applicant: 100%	
6) Disclosable Interest Holder's Type of Ownership (C) (refer to instructions for list): (X) Voting () Non-Voting		9) Disclosable Interest Holder's Country of Citizenship: U.S.	
10) Relationship Description (if the disclosable interest holder is an indirect owner, list path of ownership from indirect owner to the applicant): Parent company			

Related FCC Regulated Businesses of Disclosable Interest Holders (repeat for each interest holder identified)

II a) Name and address of all FCC Regulated Businesses owned by Disclosable Interest Holder listed in Item 1 or 2 (use additional sheets, if necessary)-	II b) Principal Business:	II c) FCC Registration Number (FRN):	II d) Percent of Interest Held:
SEE EXHIBIT 1			

Schedule for Disdosable Interest Holders

estimate

Disclosable Interest Holder Information (complete as many as required to describe all disclosable interest holders)

1) Disdosable Interest Holder's First Name (if individual):	MI:	Last Name:	Suffix:
2) Disclosable Interest Holder's Name (if entity): Teléfonos de Mexico, S.A. de C.V.		3) FCC Registration Number(FRN):	
4) Disclosable Interest Holders Address: Parque Via 190, Colonia Cuauhtemoc. 06599 Mexico, D.F.			
5) Type of Interest in Applicant (I) (refer to Instructions for list): SEE EXHIBIT 2	6) Disclosable Interest Holder is a (n): (C) (refer to instructions for list of codes):	7) Percent of Interest Held in Applicant: 40% SEE EXHIBIT 2	
6) Disclosable Interest Holders Type of Ownership (C) (refer to instructions for list): -- (X) Voting SEE EXHIBIT 2 () Non-Voting		9) Disclosable Interest Holder's Country of Citizenship: Mexico	
10) Relationship Description (if the disclosable interest holder is an indirect owner, list path of ownership from indirect owner to the applicant): SEE EXHIBIT 3			

Related FCC Regulated Businesses of Disclosable Interest Holders (repeat for each interest holder identified)

11a) Name and address of all FCC Regulated Businesses owned by Disdosable Interest Holder listed in Item 1 or 2 (use additional sheets, if necessary).	11b) Principal Business:	11c) FCC Registration Number (FRN):	11d) Percent of Interest Held:
SEE EXHIBIT 3			

Schedule for **Disclosable** Interest Holders

estimate

Disclosable Interest Holder Information (complete as many as required to describe all disclosable interest holders)

1) Disclosable Interest Holder's First Name (if individual):	MI:	Last Name:	suffix.
2) Disclosable Interest Holders Name (if entity): Forstmann Little & Co. Equity Partnership-VII, L.P.		3) FCC Registration Number(FRN):	
4) Disclosable Interest Holders Address: 767 Fifth Ave., New York, New York			
5) Type of Interest in Applicant (D) (refer to Instructions for list): SEE EXHIBIT 2	6) Disc&able Interest Holder is a (n): (L) (refer to instructions for list of codes):	7) Percent of Interest Held in Applicant: 25% SEE EXHIBIT 2	
8) Disclosable Interest Holders Type of Ownership (C) (refer to instructions for list): (X) Voting SEE EXHIBIT 2 () Non-Voting		9) Disclosable Interest Holders Country of Citizenship: U.S.	
10) Relationship Description (if the discloseable interest holder is an indirect owner, list path of ownership from indirect owner to the applicant): SEE EXHIBIT 4			

Related FCC Regulated Businesses of Disclosable Interest Holders (repeat for each interest holder identified)

11a) Name and address of all FCC Regulated Businesses owned by Disclosable Interest Holder listed in Item 1 or 2 (use additional sheets, if necessary):	11b) Principal Business:	11c) FCC Registration Number (FRN):	11d) Percent of Interest Held:
SEE EXHIBIT 4			

Schedule for Disclosable Interest Holders

estimate

Disclosable Interest Holder Information (complete as many as required to describe all disclosable interest holders)

1) Disclosable Interest Holder's First Name (if individual):	MI:	Last Name:	suffix.
2) Disclosable Interest Holder's Name (if entity): Forstmann Little & Co., Subordinated Debt and Equity Management Buyout Partnership-VIII, L.P.		3) FCC Registration Number(FRN):	
4) Disclosable Interest Holders Address: 767 Fifth Avenue, New York, New York			
5) Type of Interest in Applicant (D) (refer to Instructions for list): SEE EXHIBIT 2	6) Disclosable Interest Holder is a (n): (L) (refer to instructions for list of codes):		7) Percent of Interest Held in Applicant: 15% SEE EXHIBIT 2
8) Disclosable Interest Holders Type of Ownership (C) (refer to instructions for list): (X) Voting SEE EXHIBIT 2 () Non-Voting		9) Disclosable Interest Holders Country of Citizenship: U.S.	
10) Relationship Description (if the discloseable interest holder is an indirect owner, list path of ownenhip from indirect owner to the applicant): SEE EXHIBIT 5			

Related FCC Regulated Businesses of Disclosable Interest Holders (repeat for each interest holder identified)

11a) Name and address of all FCC Regulated Businesses owned by Disclosable Interest Holder listed in Item 1 or 2 (use additional sheets, if necessary):	11b) Principal Business:	11c) FCC Registration Number (FRN):	11d) Percent of Interest Held:
SEE EXHIBIT 5			

Exhibit 1: XO Communications, Inc.

The following wholly-owned subsidiaries of XO Communications, Inc. ("XO") provide interstate and international services that are regulated by the FCC:

Telecommunications of Nevada, L.L.C (dba XO Nevada)
XO Arizona, Inc.
XO California, Inc.
XO Colorado, L.L.C.
XO Connecticut, Inc.
XO DC, Inc.
XO Delaware, Inc.
XO Florida, Inc.
XO Georgia, Inc.
XO Idaho, Inc.
XO Illinois, Inc.
XO Indiana, Inc.
XO Kansas, Inc.
XO Kentucky, Inc.
XO Long Distance Services, Inc.
XO Louisiana, Inc.
XO Maryland, L.L.C.
XO Massachusetts, Inc.
XO Michigan, Inc.
XO Minnesota, Inc.
XO Mississippi, Inc.
XO Missouri, Inc.
XO New Jersey, Inc.
XO New Mexico, Inc.
XO New York, Inc.
XO North Carolina, Inc.
XO Ohio, Inc.
XO Oregon, Inc.
XO Pennsylvania, Inc.
XO Tennessee, Inc.
XO Texas, Inc.
XO Utah, Inc.
XO Virginia, L.L.C.
XO Washington, Inc.
XO West Virginia, Inc.
XO Wisconsin, Inc.

Exhibit 2: Transaction Information

XO Communications, Inc. ("XO" or "Company"), pursuant to Section 1.948 of the Commission's Rules,¹ has requested authority to transfer control of XO's wholly-owned subsidiary, XO LMDS Holdings No. 1, Inc., ("XO LMDS"), from Craig O. McCaw and the existing shareholders of XO to the new shareholders of XO, which will include, as 10 percent or greater shareholders, Forstmann Little & Co. Equity Partnership-VII, L.P. ("Forstmann Little Equity VII"), and Forstmann Little & Co. Subordinated Debt and Equity Management Buyout Partnership-VIII, L.P. ("Forstmann Little MBO VIII") (Forstmann Little Equity VII and Forstmann Little MBO VIII, collectively "Forstmann Little") and an indirect wholly-owned subsidiary of Teléfonos de Mexico, S.A. de C.V. ("Telmex"). XO LMDS currently holds licenses in the 39 GHz and LMDS bands.

As set forth in the *Application and Petition for Declaratory Ruling*, filed the day before the filing of this Form 602, this transfer of control will occur as a result of a restructuring of XO, which will include the issuance of additional voting common stock in XO to Telmex and Forstmann Little in exchange for a total aggregate investment in XO of \$800 million. Telmex is a foreign carrier from Mexico and is affiliated under the Commission's Rules with foreign carriers from Guatemala and Argentina. Forstmann Little Equity VII and Forstmann Little MBO VIII are affiliated with Forstmann Little & Co., a private equity firm that was formed in 1978 and that has made numerous acquisitions and significant equity investments through several limited partnerships that are ultimately controlled by individual general partners. Upon completion of this transaction, Telmex and Forstmann Little each will hold a non-controlling minority interest in 40 percent of the outstanding equity in XO. No single shareholder will control XO, and it is not anticipated that any

¹ 47 C.F.R. § 1.948 (2000).

other shareholder will hold more than a 10 percent interest in the Company. Because Mr. McCaw currently controls (primarily through control of Eagle River Investments LLC) or has rights to vote shares of common stock that in the aggregate represent more than 50 percent of the voting power of XO common stock, the proposed transaction will result in a transfer of control of XO from Mr. McCaw to the new shareholders of XO.¹

This investment in XO is critical to the Company's financial survival. Funds received from this investment will support the continued development of XO's network and for general working capital purposes. Consummation of this transaction is subject to regulatory approval and to the successful restructuring of XO's existing balance sheet.² Further detail regarding the transaction, including a public interest statement and a copy of the relevant agreements between the parties, are provided in the *Application and Petition for Declaratory Ruling*.

¹ XO believes that, to the extent Mr. McCaw holds any equity interest in XO following consummation of the transactions contemplated by the Purchase Agreement, such interest will represent a very small percentage of its voting power (less than 10 percent), and Mr. McCaw will have neither control of XO's Board of Directors nor the right to elect any of its directors.

² XO expects that it will file for bankruptcy under Chapter 11 of the Bankruptcy Code in order to effectuate any agreement reached with its creditors regarding XO's balance sheet restructuring or if it cannot reach agreement with its creditors. Should XO file for bankruptcy, XO will at that time file the appropriate *pro forma* applications with the Commission to transfer control of XO to XO as debtor-in-possession and make appropriate amendments to the pending transfer of control applications and to this Form 602.

Exhibit 3: Teléfonos de México, S.A. de C.V.

Following consummation of the transactions described in Exhibit 2, **Teléfonos de Mexico, S.A. de C.V.** ("Telmex"), will own 40 percent of the outstanding equity in **XO** through an intermediate holding company, **Teninver S.A. de C.V.**, a Mexican entity with the same address as **Telmex. Carso Global Telecom, S.A. de C.V. ("CGT")**, a holding company for telecommunications-related investments, controls Telmex through an approximately 31 percent stockholding (total capital stock). Approximately 67 percent of the shares of CGT are held in trust for investment purposes for **Carlos Slim Helú** and his family members, all of whom are Mexican citizens.

Telmex's indirect, wholly-owned subsidiary, **Telmex USA, L.L.C. ("Telmex USA")**, is authorized to provide international switched resale services in the U.S.¹ Aside from Telmex USA, Telmex has no other FCC-regulated investments in the United States.

Telmex is considered affiliated under the Commission's Rules with **America Movil, S.A. de C.V.**, under the Commission's Rules. **America Telecom, S.A. de C.V.**, a holding company sharing the same ownership as CGT, controls **America Movil**, a Mexican telecommunications company that provides wireless communications services in Mexico and has investments in Guatemala, Ecuador, Argentina, Brazil, Colombia, and Venezuela. America Movil's U.S. investments include **Tracfone Wireless, Inc.** (a prepaid cellular reseller), **Arbros Communications, Inc.** (a provider of voice, data, and other telecommunications services to small- and medium-sized businesses and

¹ See ***Telmex/Sprint Communications, L. L. C. Application for Authority Under Section 214 of the Communications Act for Global Authority to Operate as an International Switched Resale Carrier Between the United States and International Points, Including Mexico***, Order, Authorization and Certificate, 12 FCC Rcd 17,551 (1997)(FCC File No. ITC-97-127). On June 30, 1999, the Commission granted consent to the transfer of control of **Telmex/Sprint Communications, L.L.C.** to **Telmex International Ventures USA, Inc.** ("Telmex International Ventures"). See ***International Authorizations Granted***, Public Notice, DA 99-137 (rel. July 2, 1999). By letter filed December 10, 1999, Telmex International Ventures advised the Commission that, pursuant to Section 63.24 of the Rules, it had assigned the Section 214 authorization to its parent, **Telmex International, Inc.**, and that pursuant to Section 63.21(i), **Telmex USA, L.L.C.**, a wholly-owned subsidiary of **Telmex International**, would use the authorization.

wholesale customers in the northeastern United States), and Comm South Companies, Inc. (a prepaid local **wireline** service provider controlled by Arbros). America Movil also formerly held a non-controlling interest in Cellular Communications of Puerto Rico, Inc. ("CCPR"), a Puerto Rico cellular carrier.

Exhibit 4: Fotstmann Little & Co. Equity Partnership VII, L.P.

Following consummation of the transactions described in Exhibit 2, Forstmann Little & Co. Equity Partnership-VII, L.P. ("Forstmann Little Equity VII") will own 25 percent of the outstanding equity-in XO. The general partner of Forstmann Little Equity VII is FLC XXXII Partnership, L.P., a New York limited partnership. The general partners of the FLC XXXII Partnership are: Theodore J. Forstmann, Sandra J. Horbach, Winston W. Hutchins, Thomas H. Lister, Jamie C. Nicholls, and Gordon A. Holmes. With the exception of Mr. Holmes, who is a citizen of the Republic of Ireland, all of the general partners are U. S. citizens. The limited partners of Forstmann Little Equity VII are comprised primarily of various institutional investors, with some individual investors. Based on the Commission's methodology for determining the level of interests held indirectly, none of the limited partners in Forstmann Little Equity VII will hold 10 percent or more of the equity of XO.

Forstmann Little Equity VII is affiliated with Forstmann Little & Co., a private equity firm formed in 1978. Since its formation, Forstmann Little & Co., through several limited partnerships that are controlled by individual general partners, has made 29 acquisitions and significant equity investments, focusing on high growth, high quality companies. Included in these investments are investments in the following FCC-regulated businesses:

- ▶ Citadel Communications Corporation ("Citadel"): In 2001, Forstmann Little funds acquired control of Citadel, a leading broadcaster operating radio stations primarily in mid-sized markets. Citadel owns over 200 radio stations in 42 states.
- ▶ McLeodUSA Incorporated ("McLeod"): McLeod provides local and long distance services to consumers in 28 states in the Midwest, West, Pacific Northwest, and Rocky Mountain regions. An investor in McLeod since September 1999, Forstmann Little funds recently agreed to invest \$175 million in the company in conjunction with a financial restructuring. Upon consummation of that proposed transaction, Forstmann Little funds would become McLeod's largest shareholder with a 58 percent share of McLeod's voting stock.

**Exhibit 5: Forstmann Little & Co. Subordinated Debt
and Equity Management Buyout Partnership VIII, L.P.**

Following consummation of the transactions described in Exhibit 2, Forstmann Little & co. Subordinated Debt and Equity Management Buyout Partnership-VIII, L.P. ("Forstmann Little **MBO VIII**") will own 15 percent-of the outstanding equity in **XO**. The general partner of Forstmann Little **MBO VIII** is FLC XXXIII Partnership, L.P., a New York limited partnership. The general partners of the FLC XXXIII Partnership are: Theodore J. Forstmann, Sandra J. Horbach, Winston W. Hutchins, Thomas H. Lister, Jamie C. Nicholls, and Gordon A. Holmes. With the exception of Mr. Holmes, who is a citizen of the Republic of Ireland, all of the general partners are U. S. citizens. The limited partners of Forstmann Little **MBO VIII** are comprised of various institutional investors. Based on the Commission's methodology for determining the level of interests held indirectly, none of the limited partners in Forstmann Little **MBO VIII** will hold 10 percent or more of the equity of **XO**.

Forstmann Little **MBO VIII** is affiliated with Forstmann Little & Co., a private equity firm formed in 1978. Since its **formation**, Forstmann Little & Co., through several limited partnerships that are ultimately controlled by individual general partners, has made 29 acquisitions and significant equity investments, focusing on high growth, high quality companies. Included in **these** investments are investments in the following FCC-regulated businesses:

- ▶ Citadel Communications Corporation ("Citadel"): In 2001, Forstmann Little funds acquired control of Citadel, a leading broadcaster operating radio stations primarily in mid-sized markets. Citadel owns over 200 radio stations in 42 states.
- ▶ ~~McLeod~~**USA** Incorporated ("McLeod"): McLeod provides local and long distance services to consumers in 28 states in the Midwest, West, Pacific Northwest, and Rocky Mountain regions. An investor in McLeod since September 1999, Forstmann Little funds recently agreed to invest \$175 million in the company in conjunction with a financial restructuring. Upon consummation of that proposed transaction, Forstmann Little funds would become **McLeod's** largest shareholder with a 58 percent share of **McLeod's** voting stock.

SERVICE LIST

Jeffrey “Jeff” Tobias	FCC – Wireless Telecommunications
Brian O’Donnell	FCC – Wireless Telecommunications Bureau/PSPWD
Jackie Ruff •	FCC – International Bureau
Imani Ellis-Cheek	FCC – International Bureau/TD
George Li	FCC – International Bureau
Neil Dellar	FCC – Office of General Counsel
James “Jim” Bird	FCC – Office of General Counsel
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Elizabeth Yockus	FCC – Common Carrier Bureau/Policy Division